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FINANCING OF THE ACTIVITIES ARISING FROM SECURITY COUNCIL RESOLUTION 687 (1991): UNITED NATIONS IRAQ-KUWAIT OBSERVATION MISSION

Draft resolution submitted by the Vice-Chairman following informal consultations

The General Assembly,

Having considered the reports of the Secretary-General on the financing of the United Nations Iraq-Kuwait Observation Mission[1] and the related reports of the Advisory Committee on Administrative and Budgetary Questions,[2]

Recalling Security Council resolutions 687 (1991) of 3 April 1991 and 689 (1991) of 9 April 1991, by which the Council decided to establish the United Nations Iraq-Kuwait Observation Mission and to review the question of its termination or continuation every six months,

Recalling also its resolution 45/260 of 3 May 1991 on the financing of the Observation Mission and its subsequent resolutions and decisions thereon, the latest of which was resolution 51/234 of 13 June 1997,

Reaffirming that the costs of the Observation Mission that are not covered by voluntary contributions are expenses of the Organization to be borne by Member States in accordance with Article 17, paragraph 2, of the Charter of the United Nations,

Recalling its previous decisions regarding the fact that, in order to meet the expenditures caused by the Observation Mission, a different procedure is

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[1] A/52/790 and Corr.1, A/52/790/Add.1 and Corr.1 and A/52/824.

[2] A/52/860 and Add.7.

required from the one applied to meet expenditures of the regular budget of the United Nations,

Taking into account the fact that the economically more developed countries are in a position to make relatively larger contributions and that the economically less developed countries have a relatively limited capacity to contribute towards such an operation,

Bearing in mind the special responsibilities of the States permanent members of the Security Council, as indicated in General Assembly resolution 1874 (S-IV) of 27 June 1963, in the financing of such operations,

Expressing its appreciation for the substantial voluntary contributions made to the Observation Mission by the Government of Kuwait and the contributions of other Governments,

Mindful of the fact that it is essential to provide the Observation Mission with the necessary financial resources to enable it to fulfil its responsibilities under the relevant resolutions of the Security Council,

1. Takes note of the status of contributions to the United Nations Iraq-Kuwait Observation Mission as at 15 May 1998, including the contributions outstanding in the amount of 9.6 million United States dollars, representing some 4 per cent of the total assessed contributions from the inception of the Mission to the period ending 30 April 1998, notes that some 23 per cent of the Member States have paid their assessed contributions in full, and urges all other Member States concerned, in particular those in arrears, to ensure the payment of their outstanding assessed contributions;

2. Expresses its continued appreciation of the decision of the Government of Kuwait to defray two thirds of the cost of the Observation Mission, effective 1 November 1993;

3. Expresses concern about the financial situation with regard to peacekeeping activities, in particular as regards the reimbursement of troop contributors, which bear additional burdens owing to overdue payments by Member States of their assessments;

4. Expresses its appreciation to those Member States which have paid their assessed contributions in full;

5. Urges all other Member States to make every possible effort to ensure payment of their assessed contributions to the Observation Mission in full and on time;

6. Endorses the observations and recommendations contained in the reports of the Advisory Committee on Administrative and Budgetary Questions;[2]

7. Requests the Secretary-General to take all necessary action to ensure that the Observation Mission is administered with a maximum of efficiency and economy;

8. Also requests the Secretary-General, in order to reduce the cost of employing General Service staff, to continue efforts to employ locally recruited staff for the Observation Mission against General Service posts, commensurate with the operational requirements of such posts;

9. Decides to appropriate to the Special Account for the United Nations Iraq-Kuwait Observation Mission the amount of _____ dollars gross (_____ dollars net) for the maintenance of the Observation Mission for the period from 1 July 1998 to 30 June 1999, inclusive of the amount of _____ dollars for the support account for peacekeeping operations and the amount of _____ dollars for the United Nations Logistics Base at Brindisi, a two-thirds share of this amount, equivalent to _____ dollars, to be funded through voluntary contributions from the Government of Kuwait, subject to the review by the Security Council with regard to the question of termination or continuation of the Mission;

10. Decides also, as an ad hoc arrangement, taking into consideration the funding through voluntary contributions from the Government of Kuwait of the two-thirds share of the cost of the Mission, equivalent to _____ dollars, to apportion among Member States the amount of _____ dollars gross (_____ dollars net), representing one third of the cost of the maintenance of the Mission for the period from 1 July 1998 to 30 June 1999, the said amount to be assessed at a monthly rate of _____ dollars gross (_____ dollars net), in accordance with the composition of groups set out in paragraphs 3 and 4 of General Assembly resolution 43/232 of 1 March 1989, as adjusted by the Assembly in its resolutions 44/192 B of 21 December 1989, 45/269 of 27 August 1991, 46/198 A of 20 December 1991, 47/218 A of 23 December 1992, 49/249 A of 20 July 1995, 49/249 B of 14 September 1995, 50/224 of 11 April 1996, 51/218 A, B and C of 18 December 1996 and 52/230 of 31 March 1998 and its decisions 48/472 A of 23 December 1993 and 50/451 B and 50/471 A of 23 December 1995, and taking into account the scale of assessments for the years 1998 and 1999, as set out in its resolution 52/215 A of 22 December 1997, subject to the review by the Security Council with regard to the question of termination or continuation of the Mission;

11. Decides further that, in accordance with the provisions of its resolution 973 (X) of 15 December 1955, there shall be set off against the apportionment among Member States, as provided for in paragraph 10 above, their respective share in the Tax Equalization Fund of the estimated staff assessment income of _____ dollars approved for the Observation Mission for the period from 1 July 1998 to 30 June 1999;

12. Decides that, taking into consideration the funding through voluntary contributions from the Government of Kuwait of the two-thirds share of the cost of the Observation Mission, for Member States that have fulfilled their financial obligations to the Mission, there shall be set off against the apportionment, as provided for in paragraph 10 above, their respective share in the unencumbered balance of 1,625,800 dollars gross (1,250,900 dollars net), representing one third of the unencumbered balance of 4,127,600 dollars gross (3,752,700 dollars net) in respect of the period from 1 July 1996 to 30 June 1997;

13. Decides also that, for Member States that have not fulfilled their financial obligations to the Observation Mission, their share of the unencumbered balance of 1,625,800 dollars gross (1,250,900 dollars net) for the period from 1 July 1996 to 30 June 1997 shall be set off against their outstanding obligations;

14. Decides further that two thirds of the net unencumbered balance of 3,752,700 dollars, equivalent to 2,501,800 dollars, shall be returned to the Government of Kuwait;

15. Deeply concerned about the fact that the overpayment of mission subsistence allowance has drastically increased, from 988,443.5 dollars to 6,312,201.53 dollars, and also about the delay in reporting the matter to the General Assembly;

16. Requests the Secretary-General to take all necessary measures to ensure that voluntary contributions to the budgeted cost of the Observation Mission are utilized only in accordance with the Financial Regulations and Rules of the United Nations;

17. Also requests the Secretary-General to continue his efforts to recover the overpayment of mission subsistence allowance in the revised estimated amount of 6,312,201.53 dollars and to submit a separate report to the General Assembly at its fifty-third session on developments relating to the issue of overpayment of mission subsistence allowance and compensatory time off, including measures taken with respect to those responsible for the overpayment on the basis of the conclusion of the inquiry;

18. Further requests the Secretary-General to exercise the utmost discipline in financial management to ensure compliance with the Financial Regulations and Rules of the United Nations, including rule 114.1 on personal responsibility, in which it is stated that every official of the United Nations may be held personally responsible and financially liable for the consequences of any action taken contrary to those Financial Rules, or to the administrative instructions issued in connection therewith;

19. Recalls its request to the Secretary-General in its resolution 49/218 of 23 December 1994 to include full implementation of the Financial Regulations and Rules of the United Nations as a specific performance indicator in the performance appraisal of all managers;

20. Invites voluntary contributions to the Observation Mission in cash and in the form of services and supplies acceptable to the Secretary-General, to be administered, as appropriate, in accordance with the procedure and practices established by the General Assembly;

21. Decides to include in the provisional agenda of its fifty-third session, under the item entitled "Financing of the activities arising from Security Council resolution 687 (1991)", the sub-item entitled "United Nations Iraq-Kuwait Observation Mission".